

Resolution No: 15-946
Introduced: March 22, 2005
Adopted: April 5, 2005

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Supplemental Appropriation
FY 2005 Operating Budget (Current Fund)
Montgomery College,
Utility Rate Increase \$611,658

Background

1. Section 16-301(d) of the Education Article of the Code of Maryland states that the capital and operating budgets of community colleges shall be prepared and considered in accordance with County fiscal procedures not inconsistent with State law. Section 16-304(a) and (b) state that each County governing body may appropriate money by major function to pay the cost of establishing and operating a community college.
2. Section 307 of the County Charter provides that any supplemental appropriation shall be recommended by the County Executive, who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a federal, state, or county law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
3. The College has projected a \$611,658 deficit in its FY 2005 utility budget due to unprecedented increases in utility rates and utility taxes due to the deregulation of utilities and the expiration of price caps this summer. The costs of natural gas and heating oil have also increased significantly due to the rise in crude oil prices. The College's FY 2005 utility budget had been prepared using the method prescribed by the County's Interagency Committee on Energy and Utility Management (ICEUM) and the College also participates in the County joint utility procurement effort.

4. On February 21, 2005 the College Board of Trustees approved a request for a supplemental appropriation to the FY 2005 Operating Budget (Current Fund) as follows:

| Category | Amount | Funding |
|-------------------------------|-----------|------------------------------------|
| 60 Operations and Maintenance | \$611,658 | General Fund Undesignated Reserves |

5. The County Executive recommends approval of the request and suggests that the source of funds be the same as the College requested.
6. The source of funds for this supplemental appropriation to the FY 2005 Operating Budget (Current Fund) will be General Fund Undesignated Reserves.
7. Notice of a public hearing was given, and a public hearing was held.


Action

The County Council for Montgomery County, Maryland, approves the following action:

A supplemental appropriation to the FY 2005 Operating Budget (Current Fund) of Montgomery College is approved as follows:

| Category | Amount | Funding |
|-------------------------------|-----------|------------------------------------|
| 60 Operations and Maintenance | \$611,658 | General Fund Undesignated Reserves |

This is a correct copy of Council action.



Elda M. Dodson, CMC
Acting Clerk of the Council